

Application No.: 10/003,847
Amendment dated May 15, 2003
Reply to Office Action of December 18, 2002

REMARKS/ARGUMENTS

Claims 1-8 are pending. In this amendment, no amendments are made to the claims. Thus, claims 1-8 will remain pending.

In the Office Action, the Examiner objected to the declaration, objected to the drawings, objected to the specification and rejected all the claims over the cited prior art. In particular, the Examiner rejected claims 6-8 under 35 USC §102(b) as being anticipated by U.S. Patent No. 6,000,832 to Franklin (hereinafter "Franklin") and rejected claims 1-5 under 35 USC §103(a) as being unpatentable over Franklin in view of U.S. Patent No. 5,495,533 to Linehan (hereinafter "Linehan").

On April 28, 2003, Applicants (by their representative) and the Examiner held a telephone conference. Among the topics discussed were the similarity of elements of Franklin's teachings and the prior art described in the background of the present application, differences between claim 6 and Franklin, and differences between claim 1 and Franklin in that even if the claimed server is read on Franklin's merchant server as asserted by the Examiner, Franklin would not disclose or suggest (among possibly other omitted claim elements) the claimed steps of generating a challenge at the client and sending a signed challenge to the server. Applicants agreed that an amendment would be submitted with amendments to the specification and figures. The Examiner indicated that a further search with respect to the unamended claims might be performed as needed.

Formal Matters

As for the objection to the declaration, Applicants submit that the Application Data Sheet (ADS) provides sufficient indication of the residence information for each of the inventors and that the declaration is not defective. The Examiner cited to §§602.01, 602.02 of the MPEP in support of this objection, but those sections in fact indicate that it is sufficient to include residence information on the ADS. As for the citizenship of R. Varadarajan, an updated ADS is submitted herewith. Applicants take the position that the updated ADS is fully responsive to this objection.

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As for the objection to the drawings, amended drawings have been submitted to overcome the objections. No new matter is presented by these amendments.

As for the objection to the specification, several amendments have been made. No new matter is presented by these amendments. Applicant believes each of the Examiner's objections is overcome by the amendments to the specification.

Claims 6-8

Claims 6-8 were rejected as being anticipated by Franklin. Applicants respectfully request reconsideration and withdrawal of that rejection, as Franklin fails to disclose or suggest each element of claim 6. For example, Franklin fails to disclose or suggest the claimed steps of generating, authenticating, and passing the one-time use card number from the user system to the issuer system. Therefore, claims 6-8 are allowable over Franklin.

Claims 7-8 derive patentability at least from their dependence on claim 6 and are therefore also allowable.

Claims 1-5

Claims 1-5 were rejected as being unpatentable over Franklin in view of Linehan. Applicants respectfully request reconsideration and withdrawal of that rejection, as neither Franklin, nor Linehan, alone or in combination, disclose or suggest each element of any those claims. For example, Franklin does not disclose or suggest generating a challenge at the client and sending a signed challenge to a server. It is not clear which aspects of Franklin the Examiner is applying to which elements of claim 1, in particular on which element of Franklin the Examiner reads the claimed server. In the Examiner interview, the Examiner cited to Franklin at column 2 describing communications between a customer computer and a merchant system. However, as explained by Applicants, while Franklin's customer computer communicates with a merchant system, it does not perform the claimed generating a challenge and a signed challenge is not sent to Franklin's merchant system. As far as that disclosure is

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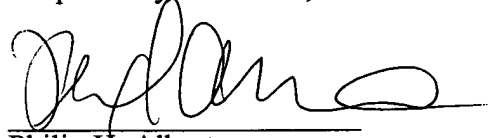
understood, Franklin's bank computer 32 does not appear to be the destination for any signed challenge used for authenticating a client at that computer.

Linehan does not make up for the deficiencies of Franklin and is not cited for those purposes. Therefore, claim 1 is allowable over the cited references and the rejection should be withdrawn. Claims 2-5, which depend from allowable claim 1, derive patentability at least therefrom. Claims 2-5 recite further limitations that are also not disclose or suggested by Franklin or Linehan, alone or in combination. For example, claim 5 recites an element "wherein the data received from the server is a challenge returned with a server response to a prior client query" and that element is not disclosed or suggested by Franklin or Linehan.

In view of the foregoing, Applicants believe all claims now pending in this Application are in condition for allowance. The issuance of a formal Notice of Allowance at an early date is respectfully requested.

If the Examiner believes a telephone conference would expedite prosecution of this application, please telephone the undersigned at 415-576-0200.

Respectfully submitted,



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5/15/03

Date

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